

Washington State Auditor's Office

Audit Report

Audit Services

Report No. 57806

KENNEWICK IRRIGATION DISTRICT

Benton County, Washington

January 1, 1994 Through December 31, 1995

Issue Date: October 25, 1996

TABLE OF CONTENTS

| | Page |
|--|------|
| <hr/> | |
| Management Section | |
| Independent Auditor's Report On Compliance With State Laws And Regulations | M-1 |
| <hr/> | |
| Financial Section | |
| Independent Auditor's Report On Financial Statements And Additional Information | F-1 |
| Financial Statements: | |
| Statement Of Assets And Liabilities - 1995 | F-3 |
| Statement Of Assets And Liabilities - 1994 | F-4 |
| Statement Of Revenues And Expenditures - 1995 | F-5 |
| Statement Of Revenues And Expenditures - 1994 | F-6 |
| Statement Of Changes In Retained Earnings - 1995 | F-7 |
| Statement Of Changes In Retained Earnings - 1994 | F-8 |
| Statement Of Cash Flows - 1995 | F-9 |
| Statement Of Cash Flows - 1994 | F-11 |
| Notes To Financial Statements - 1995 | F-13 |
| Notes To Financial Statements - 1994 | F-26 |
| Additional Information: | |
| Schedule Of Long-Term Debt - 1995 | F-39 |
| Schedule Of Long-Term Debt - 1994 | F-40 |
| Schedule Of Federal Financial Assistance - 1995 | F-41 |
| Schedule Of Federal Financial Assistance - 1994 | F-42 |
| <hr/> | |
| Addendum | |
| Directory Of Officials | A-1 |

KENNEWICK IRRIGATION DISTRICT
Benton County, Washington
January 1, 1994 Through December 31, 1995

**Independent Auditor's Report On Compliance With State
Laws And Regulations**

Board of Directors
Kennewick Irrigation District
Kennewick, Washington

We have audited the financial statements, as listed in the table of contents, of the Kennewick Irrigation District, Benton County, Washington, as of and for the fiscal years ended December 31, 1995 and 1994, and have issued our report thereon dated July 29, 1996.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the district complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the district's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance, or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the district and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of management and the board of directors and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

Brian Sonntag
State Auditor

July 29, 1996

KENNEWICK IRRIGATION DISTRICT
Benton County, Washington
January 1, 1994 Through December 31, 1995

**Independent Auditor's Report On Financial Statements And Additional
Information**

Board of Directors
Kennewick Irrigation District
Kennewick, Washington

We have audited the accompanying financial statements of the individual funds of the Kennewick Irrigation District, Benton County, Washington, as of and for the fiscal years ended December 31, 1995 and 1994, as listed in the table of contents. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2 to the financial statements, the district prepares the financial statements on the basis of accounting prescribed in the *Uniform System of Accounts for Class A and B Water Utilities*. This basis conforms to generally accepted accounting principles applicable to proprietary funds of local governments.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kennewick Irrigation District, at December 31, 1995 and 1994, and the results of operations and cash flows for the years then ended in accordance with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of Long-Term Debt and the Schedules of Federal Financial Assistance are presented for purposes of additional analysis and are not a required part of the financial

statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Brian Sonntag
State Auditor

July 29, 1996